

approximately 15 years ago what people spoke most to me about for the following year or so was two grants the Canada Council gave, one of \$800 to a piano smasher in Vancouver—that was supposed to be a new art form—the other in the amount of \$3,000 was given to the town fool of Vancouver. That was supposed to be an old art form. Those grants were the result of a whimsical sense of humour on the part of Peter Dwyer, the then Director of the Canada Council. Those grants had been given before I was a member of the board of directors. Nobody ever mentioned the other \$42 million in grants given out each year. The board had already handled those matters by telling the staff in no uncertain terms that those were matters they should draw to the attention of the board before authorizing grants because of political flak and adverse publicity.

After I had served on the board for approximately 18 months, an emergency meeting was called of the executive committee. That meeting dealt with bitter complaints about government interference because the Secretary of State's Department was authorizing grants to cultural organizations that council officials thought should go through the council. Honourable senators should remember that this took place 14 years ago.

When I listened to all of those people I must confess that I blew up. I said: "Listen, has anybody, the Director, the Associate Director, the Chairman of the Canada Council, spoken to the Secretary of State, the man we rely on to obtain our funds, Mr. Pelletier?" I asked whether anyone had asked him to attend a meeting with the Canada Council or whether there was any liaison with the man we were looking to for funds to support the council's causes. They confessed that they had not and were persuaded to invite Mr. Pelletier to a meeting. He spent two hours with the board. I must say that that was a very productive and pleasant meeting. We discussed various mutual problems.

One has to be pragmatic on this question of arm's length as it relates to grants to cultural organizations. I will give honourable senators an illustration: Let us suppose that the Canada Council decided that it was only going to donate to large organizations, such as the Toronto Symphony Orchestra, the National Ballet of Canada, the Stratford Festival, Canada Opera, and the Montreal Symphony, instead of spreading the money around amongst many small organizations as well. Surely the government would have a right to step in and question them on that policy. I think that the same rule applies to any of these art organizations. The government should have the right to lay down some kind of general policy without getting into the nitty-gritty.

Having got that off my chest, I will come back to the National Film Board. I do not think that having the officials of the National Film Board appear before a parliamentary committee is the same as so-called government interference or government non-arm's length. I think Parliament is the watchdog of the expenditures and can go into the details. I think that if a cultural organization has done as the National Film Board has done in this case, they should explain and defend their

[Senator Godfrey.]

actions to a committee of Parliament. They should have to justify their expenditures. Even though it may now be too late to undo the damage, if at this stage such an action should be taken, at least they will be more cautious in the future.

Some Hon. Senators: Hear, hear.

Senator Godfrey: For that reason, I support the motion of Senator Molson.

Hon. Philippe Deane Gigantès: Honourable senators, the last phrase my honourable friend, whom I much admire, used perturbs me.

Hon. C. William Doody (Deputy Leader of the Government): Is this a question? You have spoken in the debate already.

The Hon. the Speaker *pro tempore*: I am sorry, senator, but—

Senator Gigantès: May I ask a question?

Senator Godfrey: Certainly.

Senator Gigantès: Do you not find that the last phrase of yours is precisely what is most disturbing about examining an opinion that has been presented by other people in an atmosphere in which we are going to induce in them the idea that they must be more cautious next time? And where do we stop? I will not bore you, honourable senators, with John Stuart Mill; they have all warned against this. Do you not think that the pride of the Canadian democracy is freedom; do you not think that the pride of the Canadian democracy is that in this country—

Senator Doody: Question!

Senator Gigantès:—we can have separatists in power, whereas in other countries they are in jail? Do you not think that this is what makes Canada ideal and great?

Senator Godfrey: When I said that they would be more cautious in the future, that was an unfortunate turn of phrase. What I really meant was that they should be more careful and accurate in the future, and I do not make any apologies for that.

When I saw the film—and I did not want to get into the film—a mechanic was speaking. Everyone who saw the film was under the impression that this mechanic was saying exactly what Billy Bishop's mechanic had said 65 years ago. It turns out that he was saying what a lot of other people were reported to have said.

As far as I am concerned, the film was misleading and inaccurate and, therefore, they should be more careful in the future in doing better research. That is what I really meant.

Senator Gigantès: Does the honourable senator think that intimidating writers and film producers before a Senate committee is really the best way to obtain more accuracy? Would he not concede that, on the contrary, that would expose the Senate, and quite properly so, to accusations of censorship?

Senator Godfrey: I have had correspondence with the Director of the National Film Board. There was a man by the name